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TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

FEB 27 2008

T:EP:RA:A2

Re:

Company =

Former Parent =

Salaried Plan =

Plan of Reorganization =

Dear

This letter constitutes notice that the Company's request for a modification of the conditional waiver of the minimum funding standard for the Hourly Plan for the plan year ending 2006, that was granted in a ruling letter dated May 1, 2007, and modified by ruling letters dated July 13, 2007, and October 4, 2007, has been approved. Accordingly, we are replacing the conditions of the funding waiver, as modified, with these conditions:

- (1) The Bankruptcy Court enters an order by 2008, confirming the Plan of Reorganization.
- (2) The Company does not enter into any agreement, or amend any existing agreement, that would prevent it from satisfying its agreement under this funding waiver to make the pension contributions described in condition (5).

- (3) By March 7, 2008, the Company replaces the current letter of credit with a letter of credit in favor of the Hourly Plan from a financial institution acceptable to the Pension Benefit Guaranty Corporation ("PBGC") in the amount of \$ \_\_\_\_\_. If the Company fails to meet any one of the conditions under which this funding waiver has been granted, the PBGC may draw upon this letter of credit for the benefit of the Hourly Plan at anytime thereafter. This letter of credit shall expire on the earlier of (i) the date that condition (5)(i) is satisfied, or (ii) April 15, 2008.
- (4) Not later than five (5) days after the effective date of the Plan of Reorganization, the Company either (i) effects a transfer under section 414(l) of the Internal Revenue Code ("Code") of unfunded liabilities from the Hourly Plan to a plan sponsored by the Former Parent, (ii) makes contributions to the Hourly Plan, or (iii) makes a combination of transfers of unfunded liabilities under the Hourly Plan and cash contributions, so that the net unfunded liabilities under the Hourly Plan are reduced by at least \$ \_\_\_\_\_ as determined on a FAS 87 basis. This condition (4) shall be deemed satisfied if the Company satisfies condition (3) of the waiver of the minimum funding standard for the Hourly Plan for the plan year ending \_\_\_\_\_ 2007.
- (5) (i) Not later than five (5) days after the effective date of the Plan of Reorganization, the Company (a) makes a contribution to the Hourly Plan equal to seventy-four and two-tenths percent (74.2%) of the estimated amount described in (5)(ii) below based on the projections and assumptions provided by the Company in its waiver application submitted to the Service on August 3, 2007 (i.e., 74.2% of the amount described as the estimated quarterly payment due 1/15/2008 on page one of the schedule labeled IRS 7/20/2007 SCENARIO #D) (the "Scenario #D Amount"), and (b) deposits into escrow an amount equal to twenty-five and eight-tenths percent (25.8%) of such Scenario #D Amount.
- (ii) No later than five (5) months after the effective date of the Plan of Reorganization, the Company calculates the amount sufficient to result in a funded current liability percentage as of the effective date of the Plan of Reorganization, when measured reflecting such contributions and the impact of the section 414(l) transfer, that is the same funded current liability percentage that would have existed as of the effective date of the Plan of Reorganization if (a) the funding waivers had not been granted, (b) the section 414(l) transfer had not occurred, and (c) a contribution had been made on the effective date of the Plan of reorganization equal to the accumulated Employee Retirement Income Security Act of 1974 ("ERISA") funding deficiency as of September 30, 2007. These calculations should exclude the \$ \_\_\_\_\_ contribution outlined in conditions (6) and (7) of this ruling letter.

- (iii) If the contribution described in (5)(i)(a) above is less than the amount calculated in (5)(ii) above, the Company makes an additional contribution within 15 days after making the calculation described in (5)(ii) above from the escrow account described in (5)(i)(b) above in an amount that is sufficient to make the funded current liability percentages described in (5)(ii) above equal.
- (iv) If the amount in the escrow account in (5)(i)(b) above is not sufficient to make the additional contribution described in (5)(iii) above, the Company makes an additional contribution within 15 days after making the calculation described in (5)(ii) above that is sufficient to make the funded current liability percentages described in (5)(ii) above equal. Any amount remaining in the escrow account after condition (5) is met will be returned to the Company within 15 days after condition (5) is met.
- (v) If a credit balance is created as a result of the contributions described in (5)(i), (iii) or (iv) above, the Company elects to reduce to zero (0) such remaining credit balance as exists in the Hourly Plan as of October 1, 2008, prior to determining the value of plan assets and crediting them against the minimum required contribution for the plan year ending 2009, in accordance with the Pension Protection Act of 2006 ("PPA"). If the contribution described in (5)(i)(a) is greater than the amount calculated in (5)(ii), the Company will be allowed to keep a credit balance equal to the amount of such excess, and this credit balance will be available to offset contributions for plan years beginning October 1, 2008, and later.
- (vi) This condition (5) shall be deemed satisfied if the Company satisfies condition (4) of the waiver of the minimum funding standard for the Hourly Plan for the plan year ending 2007.
- (6) Not later than five (5) days after the effective date of the Plan of Reorganization, the Company makes a contribution to the Hourly Plan in the amount of \$ for the plan year ending 2007.
- (7) Not later than five (5) days after the effective date of the Company's plan of reorganization under Chapter 11, the Company makes a contribution to the Hourly Plan in the amount of \$ (in addition to the \$ contribution in condition (6) above) for the plan year ending 2007, in full and final settlement of all claims or potential claims against the Company under section 4971 of the Code with respect to the Hourly Plan and the Salaried Plan for the plan years ending 2005. The Service will not pursue any such claims against the Company prior to the effective date of the Company's plan of reorganization under Chapter 11.

- (8) Not later than five (5) days after the effective date of the Plan of Reorganization, the Company reimburses the PBGC for outside consulting fees incurred in the review of the Company's funding waiver request in an amount not to exceed \$2 million. This condition (8) shall be deemed satisfied if the Company satisfies condition (6) of the waiver of the minimum funding standard for the Hourly Plan for the plan year ending 2007.
- (9) The effective date of the Plan of Reorganization is no later than March 31, 2008.
- (10) The Company makes contributions to the Hourly Plan in amounts sufficient to meet the minimum funding standard for the Hourly Plan for the plan year ending 2007, by June 15, 2008.

The conditions above reflect a codification of the conditions of the ruling letter dated May 1, 2007, as modified in ruling letters dated July 13, 2007, and October 4, 2007, as well as modifications to conditions (1), (3), and (9). Your authorized representative agreed to these conditions in a letter dated February 27, 2008. If any one of the conditions is not met, the waiver for the plan year ending September 30, 2006, is retroactively null and void.

The Bankruptcy Court confirmed the Plan of Reorganization on 2008. With the confirmed Plan of Reorganization in place, the Company has announced that it expects to emerge from chapter 11 bankruptcy protection by 2008, following the syndication and closing of exit financing facilities and satisfaction of other conditions including completing rights offerings, closing of an investment agreement with investors, and consummation of a global settlement agreement with the Former Parent. The Company has represented that the funding waivers that the Salaried and Hourly Plans have received are critical to the implementation of the Plan of Reorganization. If the modifications that the Company has requested are not approved, the waivers would be rendered retroactively null and void if the Company does not emerge from chapter 11 bankruptcy protection on or before February 29, 2008. The modifications agreed to by the Company will extend the deadline for the Company's emergence from chapter 11 bankruptcy protection to March 31, 2008. In consideration of this extension, the Company will (a) replace certain letters of credit that it has provided to the Salaried Plan and the Hourly Plan as a condition of the funding waivers each Plan received for the plan years ending 2006, and (b) increase the value of the letter of credit held by the Hourly Plan by \$ by 2008.

This conditional waiver has been granted in accordance with section 412(d) of the Code and section 303 of ERISA. The amount for which this conditional waiver has been granted is equal to the contributions that would otherwise be required to reduce the balance in the funding standard account to zero as of September 30, 2006.

Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describe the consequences that would result in the event the Hourly Plan is amended to increase benefits, change the rate in the accrual of benefits or to change the rate of vesting, while any portion of the waived funding deficiency remains unamortized. Please note that any amendment to a profit sharing plan or any other retirement plans (covering employees covered by the Hourly Plan) maintained by the Company, to increase the liabilities of those plans would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA. Similarly, the establishment of a new profit sharing plan or any other retirement plan by the Company (covering employees covered by the Hourly Plan) would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

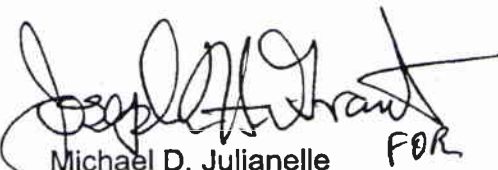
We have sent a copy of this letter to the

and to your  
authorized representative pursuant to a power of attorney on file in this office. We suggest that you furnish a copy of this letter to the enrolled actuary who is responsible for the completion of the Schedule B.

If you require further assistance in this matter, please contact

at

Sincerely yours,

  
Michael D. Julianelle  
Director, Employee Plans

FDR